GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA

UNSTARRED QUESTION NO:1577
ANSWERED ON:01.08.2001
DELAYED PROJECTS
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Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether it is a fact that more than 200 major Central projects, costing Rs.100 crore or more are lagging behind schedule;

(b) if so, the details thereof, State-wise;

(c) the reasons for their lagging behind;

(d) the details of original cost and the present cost of each of project;

(e) the factors responsible for cost over-runs of these projects;

(f) whether the Government have taken any steps to identify and remove hurdles in implementation of these projects; and

g) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN THE MINISTRIES OF PLANNING, STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a),(b),(c)&(d) As on 1.7.2001, 199 major central sector projects costing Rs.100 crores and above, are under implementation. Of these, 78 projects are lagging behind with respect to their original approved schedule. The state-wise details of the number of projects lagging behind, original approved costs as well as the currently estimated costs, are given in the enclosed Statement.

The reasons for the projects lagging behind the original schedule vary from project to project. In general, the reasons include delay in land acquisition, delay in award of contracts, delay in supply of equipment, lack of infrastructure and fund constraints.

(e) The factors responsible for cost over-runs include:

i) increase in rates of foreign exchange and statutory duties;

ii) high cost of environmental safeguards and rehabilitation measures;

iii) higher cost of land acquisition;

iv) change in scope of project;

v) higher prices being quoted by the bidders in certain areas;

vi) under-estimation of original cost;

vii) general price rise; and

viii) increase in interest on loan during construction due to delays.

(f) & (g) The steps taken to identify and remove the hurdles to ensure timely completion of these projects are as follows:

i) review of projects on monthly as well as quarterly basis by the Government;

(ii) indepth critical review of the progress by the Project Authorities and the administrative Ministries and follow up with the State Governments (for acquisition of land and provision of infrastructure facilities like water and power, ensuring law & order at project sites, etc.), consultants and other concerned agencies to minimise delays;

(iii) setting up of an Empowered Committee in the concerned administrative Ministries for resolution of problems;

(iv) inter-ministerial coordination for resolving problems of inter-ministerial nature;

(v) making available matching funds on yearly basis based on updated costs to complete the projects in the advanced stages of implementation to achieve the revised completion schedule; and

(vi) reviews by the Minister-in-charge, the Prime Minister`s Office and the Cabinet Secretariat.

ENCLOSURE TO LOK SABHA UNSTARRED QUESTION NO. 1577 FOR ANSWER ON 01-08-2001
EXTENT OF TIME / COST OVERRUN IN PROJECTS WITH RESPECT TO ORIGINAL SCHEDULE

(Satus as on 01-07-2001)

S.No.	SECTOR	NO.OF PROJ-ECTS	TOTAL COST (RS. CRS) ORIGINAL COST	ANTIC_ IPATED COST	COST OVER RUN(%)	PROJ. WITH COST OVER RUN NO.	ORIGINAL COST	ANTIC- IPATED COST	%INCR BASE COST	PROJ. WITH TIME OVER RUN NO.	ORIGINAL IPATED (MONTH)	ANTIC-	RANGE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1.	Andhra Pradesh	14	6838.2	7771.1	13.6	6	4615.3	5812.2	25.9	2	275.1	468.7	27- 36
2.	Arunachal Pr.	2	468.8	1602.1	241.8	1	312.8	1446.1	362.3	1	312.8	1446.1	85- 85
3.	Assam	9	4728.9	6413.4	35.6	5	2318.9	4003.4	72.6	2	467.3	1146.4	9- 81
4.	Bihar	11	3940.5	6441.6	63.5	5	2724.8	5243.4	92.4	3	444.0	532.8	28- 96
5.	Goa	1	250.0	250.0	0.0	0	0.0	0.0	0.0	0	0.0	0.0	0- 0
6.	Gujarat	8	7183.8	8012.4	11.5	6	1543.8	2372.4	53.7	2	228.4	693.6	69- 132
7	Haryana	3	7759.7	7965.0	2.6	1	166.7	372.0	123.1	1	166.7	372.0	35- 35
8.	Himachal Pr.	2	3362.0	9350.3	178.1	1	1678.0	7666.3	356.9	1	1678.0	7666.3	92- 92
9.	J & K	3	2733.5	7228.8	164.5	3	2733.5	7228.8	164.5	3	2733.5	7228.8	84- 157
10.	Karnataka	6	1076.6	2389.1	121.9	5	840.1	2152.6	156.2	0	0.0	0.0	0- 0
11.	Kerala	2	276.8	347.2	25.4	1	45.8	116.2	153.8	0	0.0	0.0	0- 0
12.	Madhya pradesh	6	3277.4	3622.8	10.5	4	967.5	1313.0	35.7	2	533.5	758.8	35- 48
13.	Maharashtra	19	9394.7	15519.7	65.2	10	5070.7	11333.4	123.5	10	2079.8	2642.4	4- 69
14.	Manipur	1	578.6	578.6	0.0	0	0.0	0.0	0.0	0	0.0	0.0	0- 0
15.	Meghalaya	1	71.2	422.6	493.7	1	71.2	422.6	493.7	1	71.2	422.6	72- 72
16.	Mizoram	1	368.7	368.7	0.0	0	0.0	0.0	0.0	0	0.0	0.0	0- 0
17.	Orissa	11	12421.8	13162.2	6.0	8	8126.2	8866.7	9.1	4	2706.0	3362.2	3- 72
18.	Punjab	4	646.3	974.7	50.8	2	262.8	591.2	125.0	2	262.8	591.2	31- 132
19.	Rajasthan	3	653.8	961.8	47.1	3	653.8	961.8	47.1	0	0.0	0.0	0- 0
20.	Sikkim	1	2198.0	2198.0	0.0	0	0.0	0.0	0.0	0	0.0	0.0	0- 0
21.	Tamil Nadu	12	8839.0	10295.1	16.5	8	4227.1	5835.6	38.1	4	4554.2	5256.8	14- 78
22.	Tripura	1	575.0	825.0	43.5	1	575.0	825.0	43.5	0	0.0	0.0	0- 0
23.	Uttar Pradesh	10	5901.5	10358.4	75.5	6	4185.9	8642.7	106.5	4	3735.7	7931.2	22- 77
24.	West Bengal	13	2371.1	3458.2	45.8	10	970.1	2286.2	135.7	8	922.6	1925.0	13- 168
25.	Delhi	3	5047.3	8451.9	67.5	3	5047.3	8451.9	67.5	2	187.3	296.9	47- 48
26.	Multi State	52	22700.9	28269.4	24.5	32	11265.1	16848.3	49.6	26	11175.3	15906.6	5- 117
TOTAL		199	113664.2	157238.0	38.3	122	58402.2	102791.6	76.0	78	32534.1	58648.3	